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THE SOVIET WORLD

The first week of the Geneva conference reinforced earlier indications that the Communists have no intention of negotiating seriously on Korean unification and that their main efforts will be concentrated on the Indochina question. Molotov apparently has elected to restrict his role in the public sessions to one of endorsing the positions taken by the spokesmen for North Korea, Communist China, and, in the coming Indochina phase, the Viet Minh. This role will give him greater freedom for behind-the-scenes maneuvering as a mediator between the French and the Viet Minh.

Soviet propaganda is stressing that the most important result of the first week of the conference was "the failure of American plans to expand the war in Indochina and to transfer it to the territory of the Chinese People's Republic." Peiping charges that Secretary Dulles' tactics had a cold reception and are leading to increasing American isolation. At the same time, however, these charges are occasionally qualified by observations that Dulles' failure to secure agreement on "united action" at this time does not mean abandonment of American plans and does not guarantee that Britain and France will not eventually endorse these plans.

Apart from these references to possible future Western action, it is not yet clear what effect, if any, the American and British rejection of French appeals for military intervention have on the Communist position at Geneva. A Soviet diplomat's statement that "an eventual settlement should be political rather than territorial" suggests that the Communists' maximum objective is the creation of a provisional coalition government in Vietnam, and possibly also in Cambodia and Laos. Soviet spokesmen have also suggested, however, that partition would be a "feasible solution." In any event, the Communists' immediate objective appears to be a cease-fire, preferably on French initiative, which would remove the threat of American and British intervention and afford the Communists ample time to maneuver for a favorable political settlement later.

The May Day demonstrations in Moscow highlighted Soviet air capabilities. The fly-past included one Type 37 jet heavy bomber, somewhat smaller than the American B-52, and nine jet medium bombers comparable to the American B-47, indicating the growing potential of the Soviet strategic air arm. The participation of nine jet medium bombers indicates that this type is

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further along in production than was previously estimated. Soviet tactical air and fighter defense capabilities were demonstrated by the presence of 81 IL-28 jet light bombers and 85 of the MIG-17 (Type 38) jet fighter.

The USSR's most recent success in expanding its economic and technical assistance to Middle Eastern countries was an agreement on 30 April to extend Afghanistan a \$600,000 credit for the construction of gasoline storage facilities in Kabul. This project would permit Soviet technicians to function south of the Hindu Kush Mountains for the first time. In January, the Soviet Union extended a \$3,500,000 credit for the construction of grain-processing facilities in Afghanistan by Soviet technicians. The annual Soviet-Afghan trade agreement was renewed last December.

These agreements bring planned Soviet economic activity in Afghanistan to the highest mark since the end of World War II. Together with the Soviet-Afghan treaty of friendship, they open the way to extensive Soviet political pressure to prevent any Afghan participation in Middle East defense planning.

The USSR signed its first trade agreement with Lebanon on 30 April, providing for an exchange of ten million Lebanese pounds worth of fruit and vegetables for an equal amount of Soviet machinery and tools.

Moscow also has plans for advertising Soviet products elsewhere in the Near East by participating in fairs to be held at Damascus and Salonika. It has reportedly applied to take part in Turkey's International Izmir fair.

PEIPING SHAPING LINE FOR POSSIBLE
INDOCHINA INTERVENTION

Peiping and Moscow have appeared since early in April to be shaping a propaganda line for possible large-scale intervention in Indochina some time in the future. Current Sino-Soviet comment on the Indochina war is, however, much less menacing than the line on Korea just prior to Chinese intervention there in 1950. At that time the United States was described as actively engaged in "aggression" against both Korea and China, whereas it is now charged merely with "intervening" in Indochina and "planning for action" against China.

Following the UN landings at Inchon in Korea in mid-September 1950, Peiping greatly intensified its warnings as to the possible consequences of "American aggression." Premier Chou En-lai stated on 24 September that "the peace-loving peoples of the world would not stand by with folded arms," and on 1 October that the Chinese "would not supinely tolerate seeing their neighbors savagely attacked by imperialists." [REDACTED]

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During the remainder of October Peiping's propaganda greatly intensified the theme introduced by Moscow on 1 September that UN operations were a "menace to the security of China." The first contingents of Chinese forces, some 10,000 to 15,000 troops, entered Korea in this period, although they were not encountered in large numbers until November.

In the first four days of November 1950, Peiping was clearly making an effort to prepare the Chinese people for an extensive and prolonged commitment of Chinese forces in Korea. The conclusive pronouncement came on 4 November in a statement by the Chinese Communist Party and its puppet parties that it was to the "direct interest" of China to intervene, ending with a pledge of absolute support to the troops "enthusiastically volunteering" for action in Korea. On 28 November, the UN Command reported it was faced with "an entirely new war" since an estimated 200,000 Chinese Communist troops had entered Korea.

The Sino-Soviet line on Indochina in 1954 has been that the United States is trying to keep France fighting in a hopeless war, is intervening and plans to increase its intervention, and wishes to turn Indochina into a "base for aggression" against

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China. The United States is said to be pursuing a "hostile policy" toward China and trying to encircle it with military bases.

Since early April, Peiping and Moscow have constructed a line on the American threat to China which is similar in some respects to the September-October 1950 line but does not charge the United States with aggression at this time. It asserts that (a) the United States, to create a pretext for "united action" in Indochina, is falsely charging Peiping with intervention; (b) China is meant to be the ultimate victim of "united action"; and (c) if the American scheme succeeds and the Allies risk a "repeat of the Korean war," such a venture will certainly end in "defeat for the aggressors."

Peiping's strongest statements have come since 21 April. On that day the official People's Daily stated that the "Chinese people advocate peace and oppose war, but, faced with armed aggression, they will certainly not refrain from doing something about it"

On 28 April Chou En-lai stated at Geneva that the Chinese "most emphatically will not tolerate aggression against us by any country." Chou made two related points: that the Korean war had shown that "any foreign invasion of a country whose people have awakened will inevitably suffer defeat," and that the United States, "further intervening" in Indochina and plotting the organization of "so-called defense communities" in the Far East, is looking toward a "new world war."

The Communists apparently hope to avoid internationalization of the Indochina war and to improve the position of the Viet Minh through maneuvers at Geneva. The Sino-Soviet line developing since 1 April appears to be in preparation for a possible failure on both counts. The line could become more menacing if Communist proposals on Indochina were rejected and the United States seemed to be making progress with plans for "united action." Such propaganda might well culminate in public and private warnings of the type issued by Chou En-lai in 1950.

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FRENCH FACE CRITICAL TEST IN TONKIN DELTA

The French, short of reserves in the Tonkin delta, are finding it increasingly difficult to counter Viet Minh pressure there. The enemy has been increasingly effective in disrupting communications, in using new tactics, and in bringing greater areas under his control (see map, p. 10).

Viet Minh strength inside the French perimeter totals some 70,000 men, of which about 15,000 are regulars organized into 19 battalions and some 55,000 are irregulars. Approximately 20,000 of the latter are regional troops who are nearly the equal of the regulars. The remaining 35,000 are lightly armed, part-time militia, who are nevertheless an important element in preventing the French from establishing anything more than nominal control.

The great bulk of the 190,000 French Union troops in the delta are engaged in static defense duty. The burden of parrying Viet Minh thrusts falls on the mobile reserve, a force which in November totaled some 46 battalions but which has since been reduced by dispersal to about 18.

During recent weeks, the Viet Minh has been concentrating on French lines of communications. Route 5 and its parallel railway, which link Haiphong to Hanoi, have been major targets. During one week in April, described as calmer than the preceding one, three trains out of 45 were blown up. The frequent cuts in both the road and rail line bring surface transport between the two cities to a standstill for hours at a time.

Also of military importance have been enemy attacks against small isolated posts, and ambushes of French Union troops on patrolling and clearing operations. Favorite targets of the Viet Minh are guardposts manned by poorly armed local militia. The French frequently have to send air and ground support from their limited reserve to relieve these posts.

New and more effective enemy tactics have been noted recently. The Viet Minh is using methodical trenching operations, as at Dien Bien Phu, in preparing attacks on delta posts. Anti-aircraft machine guns are being employed in increasing numbers to protect attacking troops and prevent air supply to surrounded posts. Heavier enemy fire against low-flying liaison aircraft is forcing the French to cancel these flights when low ceilings require hedgehopping.

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With regard to current Viet Minh strategy within the delta, Governor Tri of Tonkin stated in early April that he expected the enemy to strengthen and multiply his bases in the area in preparation for some future big push. The degree of present enemy control is suggested by the recent statement of a French official that French Union forces have only a tenuous hold on Hanoi-Haiphong communications and beyond that hold only those two cities and Nam Dinh. Early in 1953, the French were said to have firm control over 1,700 of the approximately 5,000 delta villages, a sharp decline from two years previously. In September 1953, only 1,361 villages were considered secure and a reliable report in May 1954 places the number at only 700.

The Viet Minh is capable of inflicting considerably more damage in the delta than its present tactics indicate. Raids in March on airfields at Hanoi and Haiphong, in which 20 planes were destroyed or damaged, demonstrated the vulnerability of such key French installations. A late April report stated that the enemy plans raids on major air bases throughout Indochina.

25X1 The Viet Minh also has the potential for fomenting uprisings in Hanoi and Haiphong, where hard-core elements are believed laying such plans, or for making lightning raids against these cities. [REDACTED] has suggested that disturbances may occur on 19 May, Ho Chi Minh's birthday. French control in the southern sector of the delta is particularly tenuous and the Viet Minh might attempt to take over that area by seizing Nam Dinh, the delta's third largest city.

Despite the enormous enemy losses suffered at Dien Bien Phu, the French position in the delta could well become critical when the remaining Viet Minh battle corps returns from the northwest. Rains will hamper such a movement and possibly preclude large-scale operations, but an enemy victory at Dien Bien Phu would greatly enhance Viet Minh influence among the delta populace. On the other hand, the French will find it difficult to make significant reinforcements from other areas, as the Viet Minh will try to maintain its pressure wherever possible.

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ISRAEL MILITARILY STRONGER THAN ARABS

Israel's military strength is more effective than that of the Arab states and is likely to be the determining factor in the event of renewed Arab-Israeli hostilities. The United Nations and more particularly the United States, Great Britain, and France--as signers of the tripartite declaration of 1950--exercise a deterring influence against any serious conflict. Israeli military leaders, with substantial popular support, are, however, constantly tempted to take limited action to improve their country's boundaries (see map, p.13).

Combined Arab military power is potentially greater than that of Israel. The armies of Egypt, Jordan, Syria, Lebanon, and Iraq--the Arab countries most likely to become involved with Israel--total some 165,000 troops, over twice the size of the Israeli army. The Arabs have a greater number of light tanks, armored cars, artillery, and small weapons than the Israelis. They also lead in numbers of planes, including jets. Partly as a result of their military ineffectiveness in 1948 and influenced by subsequent Western efforts to establish a Middle East defense system, the Arab states organized their own Arab Collective Security Pact in order to unify their forces against a possible Israeli attack.

These Arab advantages are, however, offset by major weaknesses. Five years after the signing of the armistice agreements, the Arab countries give little indication that they are seriously prepared to unify their forces. Following the Israeli attack on Nahhalin late in March, King Hussain of Jordan hinted that the Arab Legion might be reinforced with Iraqi units. The Iraqi chief of staff later denied, however, that such support would be sent. The recently announced Lebanese-Syrian military agreement is more a demonstration of good relations between the two nations than an indication that an effective bilateral military organization has been established.

With the possible exception of Jordan's small British-trained Arab Legion and the even smaller Lebanese army, the Arab armies and air forces are inadequately trained and have poor leadership. The Arab countries have only limited reserves, most of whom have had little more than basic training.

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The Arab states are generally incapable of supporting effective operations outside their borders. Supply problems are complicated by shortages of up-to-date weapons and spare parts, and by the fact that the Arab forces use a variety of arms requiring different types of ammunition. Military supplies for other than small engagements are unusually limited.

The 68,000-man Israeli army is considerably more effective than the combined Arab forces. It has been substantially re-organized since the 1948 hostilities and has undergone intensive training. Field maneuvers have been regularly held extending to the brigade level. In contrast to the Arab states, Israel has a superior number of medium tanks and supports its army with local production of certain small weapons, like mortars, and ammunition for most small arms. The Israelis have built up reserve stocks of military supplies and their air force is more effective than those of the combined Arab states.

The Israeli government initiated conscription in 1949 and also began to increase its reserves. Israel is now believed capable of calling up almost 145,000 trained reserves within 24 hours, bringing its forces to over 200,000, and putting 10 active divisions into the field. In a call-up of Israeli reserves at the time of the fall of the Shishakli regime in Syria, for example, the American consul general in Haifa estimated that the local mobilization was 95 percent effective.

Israel's military advantage is currently enhanced by the preoccupation of major Arab countries--particularly Egypt and Syria--with domestic problems. Iraq is increasingly concerned over inter-Arab problems and its acquisition of American military assistance.

Israeli military leaders favor the extension of Israel's boundaries to coincide with those of the former Palestine Mandate. Such a move--which would bring West Jordan, the Gaza strip, and the demilitarized zones on the Syrian and Egyptian borders under Israeli control--would vastly enhance the country's defense against any possible Arab attack. In the face of ineffective Arab military opposition, world reaction--especially Western opposition to involuntary alterations of Arab-Israeli boundaries--appears to be the real deterrent to possible Israeli aggression.

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TENSION MOUNTING IN CENTRAL AMERICA

The current crisis in relations between Nicaragua and Costa Rica highlights the long-standing differences between the dictatorships and "democracies" of the Caribbean area and weakens Central American solidarity with respect to the Communist problem in Guatemala.

Tension between the two countries has mounted sharply since the 3 April assassination attempt against Nicaraguan president Somoza by persons who crossed the border from Costa Rica. Somoza claims to have firm evidence that high Costa Rican officials, including President Figueres, were implicated in the plot. Although both parties agreed at a meeting of the Council of the Organization of American States on 21 April to seek a solution through normal diplomatic channels, the provocations, charges, and countercharges continue.

There are, moreover, indications that other Caribbean governments may become involved. The Venezuelan and Dominican, as well as the Nicaraguan, dictatorships have long been galled by Costa Rica's aggressive championship of democracy and fearful of the activities of political refugees who enjoy asylum in Costa Rica.

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Revolutionary plotting is endemic in the area, however, and the preoccupation of these rightist regimes with the "threat" from Costa Rica may lead to co-ordinated efforts against that country.

American officials in the Canal Zone consider open military intervention unlikely, but on 23 April commented that Costa Rica's enemies "are capable of sending well-equipped Costa Rican exiles or mercenaries disguised as exiles across the borders into Costa Rica." Figueres, apparently fearing such a move, arranged a border meeting on 24 April with Panamanian president Remon. Remon denied at this meeting rumors that Venezuelan men and arms were being brought into Panama to menace Costa Rica or that he had a pact with Somoza.

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Recent allegations by Somoza that Costa Rica is a "center of Communism in the hemisphere" are unsupported by any reliable evidence. The weak Costa Rican Communist Party was recently reported to be at its lowest ebb in many years. The Figueres administration has taken a firm anti-Communist stand and, though not represented at the Caracas conference in March, subsequently expressed its support of the conference's anti-Communist resolution, which was generally interpreted as aimed against Guatemala. Somoza's charges, which repeated similar Dominican and Venezuelan allegations, are consistent with the tendency of these governments to associate any leftist or revolutionary movement with Communism, perhaps partly in an effort to secure additional military equipment from the United States.

Evidence of Guatemalan participation in the Nicaraguan plot is tenuous. Several of the participants received diplomatic asylum in the Guatemalan embassy in Managua, as others did in the Costa Rican. Their presence there may lead to a break in diplomatic relations between Nicaragua and Guatemala. In any event, it is apparent that the Costa Rican-Nicaraguan imbroglio has at least temporarily diverted the attention of the rightist regimes from the threat of Communist expansion from Guatemala.

Meanwhile, the Communists in Guatemala continue to strengthen their control over that country's political life. Guatemalan diplomatic missions in the rest of Central America promote the Communist line and some have been reported giving clandestine aid to local pro-Communist and other opposition groups. Covert Communist efforts based in Guatemala appear most active in neighboring El Salvador and Honduras. The Salvadoran Communist Party sometimes gives the impression that it is directed from Guatemala, but the stable Salvadoran government has effectively reduced its subversive capabilities. In Honduras, on the other hand, political instability and the strong possibility of violence in connection with next October's national elections present opportunities for Communist exploitation.

If long continued, the dispute between Costa Rica and rightist Caribbean regimes could force the Figueres government to look to Guatemala for support. This would tend to make anti-Communism in the Caribbean area a monopoly of the dictatorial regimes, and further alienate moderate or liberal elements from the anti-Communist cause.

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THE NEW BELGIAN GOVERNMENT'S FOREIGN POLICY

The new Belgian government, formed following the 11 April national elections in which the Social Christians lost their parliamentary majority, is a coalition of Socialists and Liberals, the first in Belgium's history. Headed by a Socialist, Achille van Acker, it will probably support most American policy objectives, but take a more independent line in the Atlantic alliance than its predecessor and be more inclined toward recognizing Communist China.

The Socialist-Liberal coalition, which holds a narrow majority in both houses, is based on hostility to the preceding government's proclerical policies. Both the Socialists and the small Liberal Party opposed increased government aid to Catholic schools and the Belgium-Vatican accord on the Congo now awaiting ratification by the Senate. On economic and social issues the two parties have traditionally held sharply different views, but the Socialists tend to sacrifice party dogma to measures strengthening the country's free economy. For example, they agree with their Liberal partners on a program to facilitate economic expansion by tax reductions.

In its approach to European questions the coalition will pose several difficulties for American policy. It has already announced an intention to lower compulsory military service from 21 to 18 months--the period generally accepted by European NATO countries--and some Belgian officials fear that the reduction will seriously impair their country's ability to meet its NATO commitments. Moreover, the new government's promise to cut taxes threatens defense expenditures, which represent 20 percent of the total budget.

A strong minority of the Socialists, furthermore, opposes both European integration and a forthright anti-Orbit policy. Edouard Anseele, party vice president and communications minister, is an outspoken opponent of integration; Premier van Acker himself, though he finally voted for EDC ratification, had previously opposed the Coal-Steel Community. The Liberals are generally considered to favor European integration.

The return of Paul-Henri Spaak to the Foreign Ministry is in itself favorable for European integration, but it is rumored that Victor Larock was given the Ministry of Foreign Commerce to keep an eye on Spaak. Larock apparently was responsible for a resolution adopted by the 1951 Socialist Party Congress charging

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that "the economic isolation of the Soviet bloc creates a dangerous situation as do limitations placed by the United States on East-West trade." He will now probably be responsive to pressure from the many businessmen who resent the scope of existing trade controls.

A more immediate danger, in view of Belgium's presence at the Geneva conference, is represented by the van Acker government's more favorable attitude toward diplomatic relations with Peiping. According to the American embassy in Brussels, Belgian Socialists generally favor recognizing Communist China and admitting it to the United Nations, and a majority in other parties probably lean in that direction. While it is unlikely that Brussels would act on its own initiative in this matter, a change in present policy could result from pressure by either Britain or France, particularly since the Netherlands has already recognized the Chinese Communists.

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SPECIAL ARTICLE

COMMUNIST CONCESSIONS TO SATELLITE PEOPLES LIMITED

The Eastern European regimes have in the last few months taken a number of limited steps to ease the lot of the people and reduce social tensions. While chiefly economic, the changes have also touched on the political and cultural life of the Satellite populations. In combination, these moves have created a freer political atmosphere, but have not overcome the prevalent apathy or resulted in greater labor productivity.

The concessions have varied widely, partly because of differences in the internal problems of the Satellites. The countries with large industrial labor forces--East Germany, Hungary, and Czechoslovakia--have gone the furthest in their measures to appease the population. Many of the concessions were initially made with qualifications, some have since been modified, and a few even reversed. The Satellites are, however, continuing their conciliatory policies, albeit at an uneven pace.

Economic Concessions

Economic reforms designed to raise the standard of living have been the most important of the Communists' concessions. Plans have been revised to permit greater investments in consumer goods industries. Other economic measures have included price cuts and some selective wage increases, the release of reserve stocks of consumer goods, and the encouragement of small craftsmen and artisans to resume their trades. A notable exception is Rumania, where apparently severe economic problems have not only prevented price slashes for consumer goods, but recently led to fairly widespread cuts in wages.

Political Changes

With the exception of Albania, which so far has made only propaganda reference to the concept, the Satellites have ostensibly reorganized their government and party structures on the Soviet principle of collegial leadership. In numerous elections of officials to local and national government organs, strong attempts are being made to obtain greater popular participation.

Officials have sharply criticized harsh police measures and amnesties of varying comprehensiveness have been announced by all the Satellites except Poland. These popular measures have, however, been largely counterbalanced by continuing calls for increased vigilance and by trials of alleged Western agents and their internal accomplices.

Shortly after the arrest of Beria the Polish party's central committee investigated the extent to which violence was being used in handling prisoners. As a consequence, the number of arrests dropped to half the former figure, and a new order was issued restricting the use of physical violence against prisoners. East Germany, on the other hand, following the riots last June appointed a ruthless Communist, Hilde Benjamin, to be minister of justice and last October was reported planning to improve its riot control capabilities by the purchase of considerable new equipment.

Cultural Measures

Various other government actions have probably modified the individual's belief that an unfeeling dictatorial machine controls his life. Thus, in the cultural field a few changes have occurred in the standard approach to intellectual and artistic freedom. Several of the Satellites have slightly relaxed their former stringent prohibition against Western influences. Bulgaria and Hungary have eased their control over the movement of Western representatives within their countries. Czechoslovakia, Hungary and East Germany have permitted the broadcast of jazz and light classical music. A French film delegation visited Prague in early March to discuss the exchange of motion pictures.

There has been some relaxation of the pressure against the bourgeoisie in Hungary and Czechoslovakia. In the former, members of the bourgeoisie have been freed from internment camps, although they are severely restricted as to the forms of employment in which they may now engage. In both countries, the technical intelligentsia are being encouraged to work in industry, where their skills are needed. Moreover, the Czech party has recently warned university professors of Marxism-Leninism against adherence to a too-narrow political line.

The recent celebration of Hungary's National Liberation Day was marked by a distinct appeal to Hungarian nationalism and a decrease in the former extravagant adulation of the USSR.

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On the other hand, imitation of the USSR has not ceased in the field of creative arts, and there is little or no artistic freedom. East Germany late last summer revived plans--made prior to the initiation of the new course--for the reorganization of the school system along Russian lines.

Positive concessions to the church and in religious affairs have been so few and of such a minor nature as to constitute little significant change in any of the Satellites. In Poland the Communist regime is apparently consolidating the gains of last fall before a possible renewal of its attack.

Measures to protect personal rights have been taken only in Hungary and Bulgaria. Late last July the Hungarian government reorganized the Office of Prosecution for the announced purpose of improving the defense of the rights of citizens in political, economic, and legal spheres, as well as for supervising the observance of the law by the public authorities.

Bulgaria has repealed a strict law penalizing those who illegally changed their form of employment. It has abrogated another law which imposed severe penalties on families of defectors to the West and has reduced the penalties for defectors who return. In contrast, however, the government promulgated a decree last fall forbidding marriage with Western nationals unless permission was obtained from the president of the National Assembly.

The Communists have made only limited political and cultural concessions, probably on the calculation that reforms of this kind are more likely to undermine the stability of the regimes and weaken their control of the population than economic concessions are likely to do. The Satellite leaders unquestionably realize, moreover, that to achieve their ultimate new course aims, an improvement in the standard of living is essential.

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